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ANNEX D-2

NAVY PLAN OF 30 MAY 1945 FOR ARMY & NAVY
COLLABORATION IN THE COMMUNICATION INTELLIGENCE
FIELD

Op-20-G/jac
Serial 000629020

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30 May 1945

MEMORANDUM FOR CAPT. W. R. SMEDBERG, III (F-20)

Subj: Policy regarding collaboration between the Army and Navy in the Communication Intelligence Field.

Ref: (a) Statement of policy regarding collaboration between Army and Navy in the communication intelligence field enunciated by the Army-Navy Communication Intelligence Board, submitted to ANCICC by General Bissell via General Clarke, 9 May 1945.

Encl: (A) Proposed plan for the coordination of C.I. activities.

1. Forwarded herewith as enclosure (A) is our reply to reference (a). The plan for post-war operation included in this reply represents the best thought of Op-20-G personnel and is based not only upon our operations in this war but upon our pre-war experiences. There is practically unanimous agreement among us in regard to these proposals and we believe that only under some such arrangement can we achieve maximum efficiency in the future.

2. Except for one or two points, the plan is largely in effect at the present time, although not working as effectively as it might. The chief differences in the new proposal are a new method of allocating work and the new concept of a joint intelligence center. The latter has been frequently advocated during the war and is the system in effect in the British Services. To us, it is the outstanding, if not the sole, virtue of their organization as compared to ours. In drawing up the proposed plan, we have endeavored to take the best features of both the British and U.S. systems.

3. This plan has not yet received Admiral Redman's approval but I believe that he is fully in accord with the principles set forth therein. It is suggested that you consult with those

Army, Navy and NSA review(s)
completed.

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COMINCH officers who are concerned and ascertain their views on the proposals. We are convinced that, in view of the changes in the international situation, an early agreement on future policy for C. I. operations and a reallocation of work are urgently needed.

J. N. WENGER
Op-20-G.

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30 May 1945

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MEMORANDUM

Subject: Policy Regarding Collaboration between the Army and Navy in the Communication Intelligence Field.

Ref: (a) Statement of Policy Regarding Collaboration between Army and Navy in the Communication Intelligence Field Enunciated by the Army-Navy Communication Intelligence Board, submitted to ANCICC by General Bissell via General Clarke, 9 May 1945.

Encl: (A) Proposed Plan for the Coordination of Communication Intelligence Activities.

1. Reference (a) was submitted at the ANCICC meeting on 9 May 1945 by General Bissell via General Clarke for the approval of Navy members. Comments of the Navy on the proposals contained therein follow.

2. (a) Paragraph 1 of reference (a) does not establish a terminal date for the agreements in effect between the U.S. Army and British and the U.S. Navy and British. Since the U.S. Navy has an agreement with the British which will be in effect only for the duration of the war, it is felt that a similar terminal date should be established for the agreement between the U.S. Army and the British. This will ensure the achievement of ANCICC's objective, mentioned in paragraph 2 of reference (a), which aims at the establishment of a joint Army-Navy agreement rather than separate agreements with other agencies.

(b) The word "implied" in relation to agreements in force between the U.S. services and the British may give rise to differing interpretations. It is felt that all basic agreements should be so clearly stated in writing that there will be no doubts as to their implications.

(c) The question of establishing a joint Army-Navy policy concerning complete collaboration with the British for the duration of the war and in the postwar era has been referred to ANCIB by ANCICC. ANCIB's decision in this regard, which is expected in the near future, should help achieve the objectives of paragraphs 1 and 2 of reference (a).

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3. Paragraph 2 of reference (a) is concurred with.
4. In regard to paragraphs 3 and 4 of reference (a), the prospect of extensive clandestine and guerilla activities in the European area for some time to come, the restoration of the exiled governments and liberated nations of Europe to diplomatic and economic life, and the uncertain course of our relations with certain major powers present the problem of dealing with an increasing volume of hitherto unobtainable traffic. In addition, the end of hostilities in Europe and the increasing tempo of war in the Pacific will necessitate a redeployment of Army and Navy communication intelligence activities. In the Pacific area, the responsibilities of the U.S. Army presumably will increase as it takes over the task of defeating Japanese land forces on their home islands and on the Asiatic mainland.
5. The end of the Pacific war will be the signal for retrenchment in personnel and material allowances by both the Army and Navy. Congress will insist upon the most efficient and least expensive military and naval establishments possible, no matter what commitments are made for the armed forces. Another factor to be considered is that most of the skilled reserve personnel, trained in the complicated procedures of the Army and Navy communication intelligence organizations, will desire to return to civilian life at the end of the war. Therefore, the greatly curtailed facilities and the comparatively few expert personnel remaining in the postwar services will have to be used to the best advantage. Furthermore, a thoroughly effective collaboration between the two services will help preserve their common interests in relation to national or other intelligence agencies.
6. In view of the foregoing and in the light of prewar experience, it is obvious that successful C.I. operations of adequate scope and efficiency can be carried on in the future only if an effective working partnership between the Army and Navy can be established. Such a partnership will require the defining of certain objectives and the assignment of definite responsibilities to each service by ANCIB. At present the Army and the Navy have fields of interest currently assigned to them by a joint agreement between Army, Navy and the FBI, dated 30 June 1942, as modified by a further agreement of 25 August 1942. These agreements, concluded under the pressure

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of war and with certain reservations, are incomplete and have been interpreted differently by each service. The Army has questioned their validity and has described them as outmoded and no longer binding in some respects. In connection with the recent controversy over the allocation of commercial traffic, the Commanding Officer of SSA on 10 May 1945 raised the question of reallocation of existing responsibilities in the signal intelligence field as between the Army and Navy to the end that duplication may be avoided and the greatest efficiency achieved in producing intelligence vital to the early defeat of Japan. To ensure complete coordination in the assignment of future tasks and to comply with the basic responsibilities of the Army and Navy in regard to national defense, it is proposed that a reallocation of the assignments of the respective services be made immediately by ANCIB in order to permit necessary postwar planning without further delay.

7. Paragraph 5 of reference (a) would seem to imply an extension of the functions of ANCIB to include cryptological as well as cryptanalytical matters. The Navy concurs in this extension and suggests that immediate action be initiated to expand the powers of ANCIB to realize this objective. It is assumed that each service will reserve the right to ensure compliance with its own security regulations on items which have no joint interest or which must be restricted to those who need to know.

8. In regard to the proposal in paragraph 6 of reference (a), it is suggested that a joint communication intelligence policy be adopted by the Army and Navy as quickly as practicable without waiting for the end of the war. As a basis for this, the Navy herewith submits a proposed plan Enclosure (A) for the coordination of Army-Navy communication intelligence activities which it hopes will meet with the approval of the Army. The object of this plan is to ensure the most efficient use of available facilities and talent, provide adequate training of personnel for war, and ensure maximum coverage of all potential assignments by proper division of the work load.

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Proposed Plan for the Coordination of Communication Intelligence Activities

A. Operational Control

(a) Joint Policy Board -- comprising the highest communication and intelligence authorities of the Army and Navy, who under the authority of the Chief of Staff, U.S. Army, and the Commander in Chief, U.S. Fleet and Chief of Naval Operations, will be charged with establishing the joint policies and coordinating the activities of the communication intelligence organizations. ANCIB, which is already in existence, meets this requirement and is functioning advantageously.

(b) Coordinating Committee -- comprising technical representatives of the members of the central policy board, whose task it will be to implement established policies and to recommend to the board modifications of policies concerning communication intelligence. ANCICC, which is already in existence and functioning in accordance with the directives of ANCIB, meets this requirement.

(c) Subcommittees of the Coordinating Committee -- comprising technical representatives of the coordinating committee who will conduct the necessary joint operational and liaison activities of each service. Subcommittees of ANCICC, which are already in existence, meet this requirement.

B. Operations

Insofar as the operating and processing sections of the two organizations are concerned, it is proposed that the services maintain:

(a) Coordinated but Independent D/F Activities -- to ensure that different needs of each service are met.

(b) Coordinated but Independent Intercept Control -- to ensure that each service will (1) acquire the type of traffic it requires for its primary responsibility, (2) assist the other service where essential and practicable, and (3) collaborate in the fields of secondary interest to obtain optimum coverage. For most efficient operation the two controlling groups should be physically adjacent to each other.

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(c) Coordinated but Independent Intercept Activities -- (1) coordinated to ensure fulfillment of the foregoing intercept control objectives and (2) independent to facilitate provision and administration of personnel and facilities.

(d) Coordinated but Independent Communication Systems -- to provide effective administrative control of communication intelligence units and to ensure that the traffic intercepted and collected by the activities of each service will be given suitable priority in delivery to the cognizant processing centers.

(e) Joint Allocation Control -- to ensure the efficient use of existing facilities by the joint assignment of specific tasks to the processing centers of each service. By tradition and necessity, the Army will be responsible for military problems and the Navy for naval problems. Other fields of interest, such as air, governmental, commercial, guerrilla, weather, clandestine, and joint use will be assigned in conformity with policies established by the joint policy board (ANCIB) with a view to (1) making more efficient use of available facilities and talent, (2) providing adequate training of personnel for war, and (3) ensuring maximum coverage by proper division of the work load. Traffic awaiting assignment will be delivered to a joint traffic center for identification and preliminary evaluation.

(f) Coordinated but Independent Processing Centers -- to ensure production of intelligence in accordance with the basic responsibilities of the respective services in regard to national defense.

(g) Joint Crypto-Intelligence Center -- to ensure the collection, evaluation, and full exchange of all crypto-intelligence and the rapid dissemination thereof to processing centers.

(h) Coordinated but Independent Research -- to ensure that adequate provision is made for research on the problems peculiar to each service and to obtain the benefits of independent attacks on problems common to both. Complete coordination and efficient allocation of research assignments to each service in the light of facilities available will aid in the achievement of maximum efficiency and production and will avoid unnecessary duplication of effort.

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(i) Joint Collateral Information Center -- to ensure the complete accessibility of all available collateral information in a central depository. The services will jointly provide facilities for the collection, processing and dissemination of all collateral material to all processing and intelligence centers as directed by the joint policy board. All such dissemination is to be made in the name of the "Joint Collateral Information Center" rather than by a particular service.

(j) Joint Communication Intelligence Center -- to ensure that the results derived by the processing centers will be gathered in one central intelligence file so that authorized agencies can take full advantage of all intelligence from enemy communications. Adequate arrangements should be made within this center for Army, Navy and other representatives as necessary for evaluation and dissemination. All appropriate files will be open to authorized members of each agency.

(k) Coordinated but Semi-Independent Dissemination -- (1) Independent evaluation and dissemination within each service of military and naval operational information to ensure that operational requirements are properly met. (2) Joint evaluation and dissemination of other information within the services and of all information to outside agencies to avoid jurisdictional controversy.

(l) Joint Security Control -- to ensure that maximum security is afforded the activities and results of the communication intelligence organizations and to safeguard the special interests of each service.

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PROPOSED PRINCIPLES TO GOVERN THE WORK
OF THE
JOINT ALLOCATION COMMITTEE

I. AIM

1. The Navy proposal for the coordination of Communications Intelligence activities is aimed at the goal of producing for the U.S. government the maximum of intelligence in the minimum of time. This end, it is felt, can best be achieved by the effective use of existing C.I. organizations and the continued training of their personnel. The proposal postulates coordinated but independent Army and Navy C.I. organizations with actual joint operation at various points and continuous collaboration, and exchange of information, at all other levels. It assumes that the multiplicity of cryptographic systems available for interception and attack will be in excess of the capacity of the joint working forces available and that, therefore, a selection of communications intelligence tasks must be made.

2. Policy control is to be vested in a joint board (ANCIB). Administrative control is to be vested in a joint committee (ANCICC). The actual implementation of the policies laid down by ANCIB as interpreted by ANCICC is to be vested in subcommittees of the ANCRAD type. It is further expected that ANCIB will adjudicate differences which cannot be reconciled at lower levels.

3. The key to successful collaboration between the Army and Navy lies in an effective, practical method of allocating processing tasks. Accordingly, a new plan for accomplishing this is herein proposed. Neither this plan nor any other will prevent differences of opinion concerning allocation. However, this new plan aims to set up machinery for minimizing them and for settling promptly at a working level those that do arise. It attempts to provide a set of allocation principles which are reasonably flexible in their application. If, despite this, unreconcilable disagreements do occur, it provides a means whereby higher authority can consider the merits of the case and settle the matter.

II. PLAN

4. Allocation of C.I. processing tasks will be done by a "Joint Allocation Control", responsible to ANCICC, to consist of a senior officer, and the necessary clerical, administrative and cryptanalytical assistants, from each service, to be responsible for all allocation in a manner which will provide for

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(1) maximum use of available facilities and talents of each service, and (2) the training needs of each service. Incident to this will be various allied tasks such as (1) record keeping on the status of each system assigned or unassigned (2) estimates of the potentialities of unassigned systems, and (3) records of the C.I. commitments of each service.

5. Because the allocation of processing tasks by such broad fields as weather, commercial, etc. is on the one hand ambiguous, incomplete and subject to various interpretations and on the other hand, takes no account of future volumes, difficulty or facilities, the following principles are suggested to serve as a guide to the "Joint Allocation Control":

- (a) Army will be responsible for all strictly military systems, and Navy for all strictly naval systems. It is intended that this principle will apply to military attache and naval attache systems.
- (b) Joint-use systems and those other than strictly Army or Navy should then be considered as falling into either (1) those from which intelligence is wanted because of the known or suspected value of the information, and (2) those of known or expected low intelligence interest, which may be used for training.
- (c) For those systems other than strictly military or naval, in category (b)(1), assignment should be on the basis of the following principles progressively considered.
 - (i) Available capacity in terms of personnel and other facilities for handling the task. ((Since the primary principle of allocation is to produce maximum intelligence, the first consideration in the allocation of a task is always to place the task where it can be done best. Thus each processing center will be given tasks in accordance with the facilities and talents available, and so far as possible, in sufficient volume to utilize completely its full potentialities.))

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- (ii) So far as facilities are equally available, systems related cryptographically normally should be assigned to the same service. ((e.g. Assuming each service had facilities available for more work and a system with "Y" cryptographic characteristics was being considered for assignment, Unit "A", through prior assignment, has developed facilities for attacking "Y" type problems - the new system of "Y" type would be assigned to Unit "A".))
- (iii) So far as facilities and cryptographic relationships permit, systems whose text will permit cross-working, should be assigned together. ((e.g. Joint use systems which find their most useful cross-cribs in Army systems would be assigned to Army units.))
- (iiii) Assuming that consideration of available facilities and cryptographic characteristics did not decide allocation, then the relationships of the textual content to (1) primary assignment and (2) secondary assignment should determine the allocation system. ((e.g. Systems concerning marine transportation, ship building, etc., would go to Navy.))
- (d) Systems other than strictly military or naval, that fall into the category described in (b)(2) above should be assigned in the light of the following:
 - (i) Needs of the services for training on the type of material available. Thus, under this principle, diversity of training materials becomes desirable.
 - (ii) If not inconsistent with the foregoing, systems related in general interest to previously assigned tasks should be assigned to the same service. Thus, if country X were an originator in each of several fields, and, further, its traffic thought to be unimportant, the entire traffic of country X might be assigned to a particular unit because country Y, a near neighbor, with a similar problem, was previously assigned to that unit.

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- (e) Allocations to Coast Guard, F.B.I., or other authorized agencies would be made in accordance with current policy and existing agreements.
- (f) Allocation of a task carries with it responsibility for control or direction of the work, but does not preclude the service responsible from requesting assistance from the other when desirable. Neither the classifications nor the assignments are intended to be static. Any system may be moved from one category to the other or from one unit to the other, as additional information becomes available, as the policy changes, or to readjust the work load of the processing centers.

6. To allocate C.I. tasks on the principles set forth in paragraph 5 will require the formation of a "Joint Traffic Identification Center" under the administration of the "Joint Allocation Control". This group would consist of a suitable number of cryptanalytic, traffic analysis and clerical personnel from each service to (1) accumulate all traffic in unidentified or unassigned systems; (2) make a preliminary analysis of the problems and potentialities of each such system; (3) distinguish between changed and new systems; (4) keep track of unassigned systems, to know when enough traffic has been accumulated to make an assignment of the task and (5) to keep the "Joint Allocation Control" informed of the status of all systems, assigned or unassigned.

- (a) It is expected that traffic in assigned systems will be sent directly to the responsible unit.
- (b) Pending assignment, all unassigned or unidentified traffic would be sent to, and accumulated, studied and appropriately filed by the Identification Center.
- (c) If and when systems are removed from assignment for lack of usefulness or other reason, all traffic and pertinent technical information will be returned to the center.
- (d) When an assignment is made, all accumulated traffic and technical data will be turned over to the unit that gets the assignment.

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- (e) All unassorted traffic from sources other than Army or Navy intercept nets [redacted] will be directed first to Joint Traffic Identification Center for identification and further distribution to the unit responsible for processing.

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- (f) It is desirable that the center be provided with the technical aids and personnel necessary to accomplish its function. However, either service may be called upon to assist as may be practicable in preliminary analyses of systems or other necessary work.

7. To function adequately the "Joint Allocation Control" will require complete current information from all processing centers concerning (1) available mechanical, personnel and space facilities; (2) available special talents; (3) training needs; (4) progress on assignments; (5) crypto-intelligence; (6) identification data; (7) agreements; and (8) policy. It is inherent in the proposal that the "Joint Allocation Control" shall expect each service to furnish essential information promptly, completely and regularly.